California K-1

SCHEDULES K-1 (565 or 568)

Guide for Filing Paperless

TAXABLE YEAR 2004

Franchise Tax Board

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Section 1 – Introduction

Welcome

Thank you for your interest and participation in California Franchise Tax Board's Paperless Schedules K-1 (565 or 568) Program. We are pleased to welcome you back and thank you for your continued support. If you are new to our program this year, we'd like to welcome you aboard and help you in any way we can.

This publication outlines the transmission formats, character sets, error codes, and record layouts that you'll need to process paperless Schedules K-1 (565 or 568). You'll want to familiarize yourself with the contents of this guide and keep it handy for the filing season.

Information Contacts

For Paperless Schedule K-1 (565 or 568) program information, questions and answers, or publications, visit our Website or contact our help desk:

Website: www.ftb.ca.gov

e-Programs Customer Service Unit
Monday through Friday, between the hours of 8 a.m. and 5 p.m.

Phone: (916) 845-0353
Fax: (916) 845-0287

To obtain information or approval for Form 1096 (required to submit either paper or paperless Schedules K-1 (565 or 568) forms), contact:

Phone: (916) 845-3194
Phone: (916) 845-3553
Fax: (916) 845-4788

For assistance with paperless Schedules K-1 (565 or 568) CD, diskettes, or cartridge specifications, contact:

Paperless K-1 Coordinator, MS A-1
Franchise Tax Board
PO Box 1468
Sacramento, CA 95812-1468
(916) 845-6060
paperless.k1@ftb.ca.gov

We comply with the provisions of the Americans with Disabilities Act. Persons with hearing or speech impairments using TTY/TDD call (800) 822-6268.

Definition of Paperless Schedule K-1 Participants

Software Developers develop software that permits transmitters to format paperless Schedule K-1 information onto a CD or diskette, according to California specifications explained in this publication.

Transmitters format and transmit Paperless Schedules K-1 (565 or 568) files on a CD or diskette to FTB. The partnership, tax preparer, third party preparer, or software provider can be the transmitter.

A preparer is anyone other than the transmitter who prepared the schedules.

Partnerships and Limited Liability Companies (LLCs) submit partner or member distributive shares of income, deductions, credits, etc., to a preparer or transmitter who formats the information into a paperless Schedule K-1 (565 or 568).

Reminders

- A vertical bar in the left margin, such as that to the left of this sentence, indicates changes since the publication for taxable year 2003.
- FTB will not process your CD or diskette unless a *Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette* (form FTB 3604) is included with the media.
- Use separate transmittals for original, amended, part-year, or different types of Schedules K-1 (565 or 568).
- Paperless Schedules K-1 (565 or 568) are substitute forms. **Form FTB 1096 must be submitted annually** before sending any CDs or diskettes to FTB.
- The Detail Record layout for Schedule K-1 (565) requires a "G" or "L" in Field 0170. When submitting Schedules K-1 (568), leave the field blank.
- Use zeros in numeric fields, blanks are not acceptable.
- For media processing, list each partnership or LLC on form FTB 3604.
- Mail Forms 565 or 568 separately from the CD or diskette (see pages 9 and 10).
- Decimal amounts are required for Schedule K-1 (565 or 568) Question "D," partner and member percentage fields 0230, 0235, 0238, 0240, 0245, and 0248 of the record layout (example: 999.9999).
- Do not leave the state field blank for foreign addresses.
- The foreign country must appear in the country field.

Section 2 – Schedule K-1 Program Information

General Information

Filing Paperless Schedules K-1 (565 or 568) ensures more accurate schedule reporting. Before accepting and processing the Schedules K-1, we perform edit checks to verify field requirements are met (e.g., alpha data is not in a numeric only field, required fields are present, etc.). Once we successfully process your file, we will send you an acknowledgment to assure you we have received your information.

Reporting Requirements

Partnerships and Limited Liability Companies (LLCs) interested in sending California Schedules K-1 (565 or 568) via CD or diskette, must follow the guidelines in this publication.

You must submit your California Partnership Return or LLC Return of Income, Forms 565 and 568, on paper (see page 10). **Do not attach paper Schedules K-1 to these forms.** Also, do not mail partnership or LLC returns with the paperless Schedules K-1.

1. This program is for timely current-year, original, part-year, or amended Schedules K-1. Current taxable years are income periods **beginning** in 2004, as shown on Form 565 or Form 568. This includes calendar, fiscal, and short period returns.

2. Schedule K-1 (565 or 568) data for the 2004 taxable year will be accepted **only** if it is formatted according to the 2004 record layout and tested with the 2004 K-1 TestWare.

3. Do not mix different types of files such as original, amended, short period, or other types of schedules (i.e., 565 or 568) within the same transmission.

4. California grants an automatic six-month extension to file. The partnership or LLC must remit any amount owed by the original due date of the return.

5. Submit Schedule K-1 data on CDs or diskettes only. Exception: If you have submitted Schedule K-1 data on cartridges in the past, you may continue to do so.

6. Submit a maximum of 20 files per transmission.

7. The partnership or LLC must retain copies of the Schedule K-1 information in either a paper or an electronic format for four years from the original due date or for four years from the date the Schedule K-1 was filed.

Reporting Requirements
(Continued)

8. When necessary, include any supporting documentation with the paper Form 565 and Form 568. **Do not send or attach the California or federal Schedules K-1 to Form 565 or Form 568.**

9. All monetary amounts must be in dollars only. If you issued paper Schedules K-1 to partners or members with dollars and cents, round all amounts to whole dollars. When you round amounts, we understand that the total of each field in the transmitted file will differ from the amount shown on Forms 565 or 568 by the amount of the rounding.

10. Align numeric fields to the right and fill with zeros. All amounts are assumed to be positive unless a minus (-) sign is placed in the left-most position to indicate the amount is negative. Do not include a plus (+) sign to indicate the amount is positive.
    - -2312 = - 00000002312
    - 2312 = 000000002312
    - no entry = 000000000000

11. Partnerships or LLCs filing via tape cartridge must successfully complete testing to be accepted into this program. See page 9 for information regarding testing procedures.

Penalties

If you submit Paperless Schedules K-1 (565 or 568) with incomplete information or in an inappropriate format we may:

- Contact you.
- Return the CD or diskette to the partnership or LLC for more information.

Either of these circumstances would delay processing and possibly subject the partnership or LLC to penalties.

California Revenue and Taxation Code Section 19183 (IRC Section 6721) allows us to impose a penalty on any partnership or LLC that fails to provide the name and address of the partners or members.

Linking Form 565 or Form 568 With the Media

To ensure that Schedule K-1 data is posted and linked to the Form 565 or Form 568 accurately, please be sure to:

1. Confirm that the calendar/fiscal year beginning (TYB) and calendar/fiscal year ending (TYE) are exactly the same on the Form 565 or Form 568 return and corresponding Schedules K-1 (565 or 568).

Reporting Requirements

(Continued)

2. Mail the partnership or limited liability company return and CD or diskette within the same month.
3. Write the following information in the upper left corner of the paper Form 565 or Form 568:

   "Sent Paperless Schedules K-1
   Number of Schedules K-1 sent is______ "

Agreement to Comply with FTB Pub. 1098 (form FTB 1096)

Paperless Schedules K-1 are a substitute form. If you write software or prepare substitute Schedules K-1 on CD or diskette, you must submit a completed form FTB 1096 to the address on the form. Once the form is on record, we will provide you access to view online advanced drafts of our forms and publications.

For information on how to develop substitute tax forms, contact the Substitute Forms Program Administrator at (916) 845-3553.

Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette (form FTB 3604)

You must include a completed form FTB 3604 when sending Schedules K-1 (565 or 568) media files to FTB. If you are not the transmitter, please instruct the person sending the media to include form FTB 3604. If the FTB 3604 is not included, we cannot process the data.

Acceptable Media

Submit Schedule K-1 information to us on standard recordable CDs or 3 1/2-inch diskettes. If you have submitted Schedule K-1 information on cartridges in the past, you may continue to do so. Please use IBM compatible 3480 or 3490 cartridges.

FTB K-1 TestWare (565 or 568)

Use FTB K-1 TestWare to test Schedules K-1 (565 or 568). K-1 TestWare includes two programs: K-1 Verify and K-1 Convert. Also included are examples of how your files should look when they pass or fail the TestWare programs. K-1 TestWare ensures you will send error free files to FTB. It is available on our Website at www.ftb.ca.gov.
Search for: Paperless Schedules K-1

K-1 TestWare includes only data integrity edits; it does not provide calculations of any kind. An example of a K-1 Edit Program Report is on page 36. Additionally, pages 30 through 34 will help you identify what and where the error is.

Reporting Requirements
(Continued)

K-1 Verify and K-1 Convert are PC-based programs. We request that you use these programs when you submit files on CDs or diskettes. If you currently send cartridges, you may want to download or copy sample data files onto your PC for testing purposes. This allows you to benefit from the K-1 TestWare as well.

K-1 Verify

The K-1 Verify program edits header, detail, and trailer records to ensure the fields are the correct length and position required by FTB. When your file(s) pass the K-1 Verify program edits, send only your production files via CD or diskette to FTB. Do not submit test files.

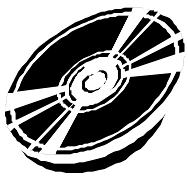
K-1 Convert

K-1 Convert expands spreadsheet or delimited files to a standard fixed-length format. This allows the K-1 Verify program to accurately process your records. K-1 Convert **does not** replace K-1 Verify.

Section 3 – File Specifications and Filing Procedures

Reporting Formats

Compact Disc Specifications

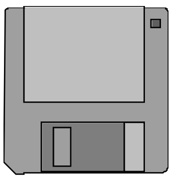


- **Type of CD** – recordable compact disc.
- **CD formats** – standard 74 minute, 650 MB.
- **File format** – ASCII (American Standard Code for Information Interchange) fixed block format. Records cannot span diskettes.
- **Character format** – ASCII.
- **Data compression** – we accept compressed files under these conditions and guidelines:
  - ◊ Self-extracting .exe Zip files (preferred)
  - ◊ Zip files (DOS or Windows version only)
  - ◊ Proprietary compression files (if the decompression program is provided)
- Affix a label to the exterior of the CD with the following information:
  - ◊ Name of transmitter
  - ◊ Name of K-1 software provider, if other than the transmitter
  - ◊ Type of Schedule K-1 (565 or 568)
  - ◊ Number of CDs (e.g., 1 of 3, 2 of 3, 3 of 3)
- Include the completed *Transmittal of Paperless Schedule K-1 (565 or 568) on CD or Diskette* (form FTB 3604), in the same package as the CDs. **Do not send it separately.** A copy of the transmittal is included in Section 5.

Reporting Formats

(Continued)

Diskette Specifications



- **Type of diskette** – 3 1/2 inch, double-sided, double density, 720 KB capacity; or double sided, high density, 1.44-MB capacity.

- **Diskette format** – standard MSDOS 3.x or higher.

- **Record format** – fixed.

- **File format** – ASCII (American Standard Code for Information Interchange) fixed block format. Records cannot span diskettes.

- **Character format** – ASCII.

- **Data compression** – we accept compressed files in the following formats:
    - ◊ Self extracting .exe zip files (preferred)
    - ◊ Zip files (DOS or Windows version only)
    - ◊ Proprietary compression files (only if the decompression program is provided)

- Affix a label to the exterior of the diskette with the following information:
    - ◊ Name of transmitter
    - ◊ Name of K-1 software developer, if other than the transmitter
    - ◊ Type of Schedule K-1 (565 or 568)
    - ◊ Number of diskettes (e.g., 1 of 3, 2 of 3, 3 of 3)

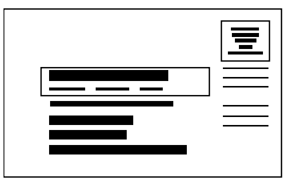
- Include the completed *Transmittal of Paperless Schedule K-1 (565 or 568) on CD or Diskette* (form FTB 3604) in the same package as the diskette(s). **Do not send it separately**. A copy of the transmittal is included in Section 5.

Reporting Formats
(Continued)

Test Files

Transmitters sending tape cartridges, or **anyone unable to use the K-1 TestWare** must prepare and submit a test file to us to ensure process compatibility. Test files may consist of actual or test data. There must be at least twelve blocks of data to enable us to verify the blocking factor correctly. Test files should be submitted prior to the initial reporting. We will report test results to the transmitter generally within two weeks after receipt of the test file.

Shipping Instructions



Package the CD or diskettes with an external label on each item. Include a *Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette* (form FTB 3604). Put them in a box or mailer with proper padding to prevent damage in transit. Use disposable containers, as FTB is unable to return special containers. Upon your request, we will return CDs and diskettes.

Note: Failure to include or properly complete the transmittal form may affect the timely processing of Schedules K-1. Additionally, we may return the CD or diskette to the transmitter, requesting a transmittal form for accurate processing.

Mailing Address:
DATA EXCHANGE, K-1s, MS A-10
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-6090

Courier, Freight, or UPS Address:
DATA EXCHANGE, K-1s, MS A-10
FRANCHISE TAX BOARD
SACRAMENTO CA 95827

Form 565 or Form 568 Return and Payments

Please mail the partnership or limited liability company return and CD or diskette within the same month. This helps us match the returns to the paperless Schedules K-1 (565 or 568).

Form 565 or Form 568 without Payment

Do not mail or include Form 565 or Form 568 or any payments with the media files.

Mail Form 565 or Form 568 with no payment due to:

FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0600

Form 565 or Form 568 with Payment

Mail Form 565 or Form 568 balance due tax returns, with payment to:

FRANCHISE TAX BOARD
PO BOX 942857
SACRAMENTO CA 94257-0601

Note: Do not attach paper federal or FTB Schedules K-1.

Section 4 – Record Layout Specifications

General Format Information

Header Record

Include one Header Record for each partnership or LLC. If the file contains Schedule K-1 information for multiple partnerships or LLCs, include multiple Header Records. Use Field 0025 to indicate whether the data is “TEST” or “PROD” (live data). Enter the partnership or LLC name, address, and identification number information once on the Header Record.

Detail Record

Include one Detail Record for each Schedule K-1 you submit for the partnership or LLC. Use field 0015, Schedule Occurrence No., to consecutively number the individual Schedules K-1 for the partnership or LLC identified in the Header Record.

Trailer Record

Include one Trailer Record for each partnership or LLC. If the file contains Schedule K-1 information for multiple partnerships or LLCs, include one Trailer Record for each. Enter the total number of Schedules K-1 (from line “K” on Form 565 or line “J” on Form 568) in Field 0030, Number of K-1s for Fund.

Format of Partnership or LLC Name

Enter the name of the partnership in Field 0130, Partnership’s/LLC’s Name 1, and enter the DBA (Doing Business As) name, if applicable, in Field 0135, Partnership’s/LLC’s Name 2.

Format of Private Mailbox (PMB)

When an individual or business leases a mailbox from a private business, the private mailbox (PMB) number must be included in the mailing address. Include the PMB at the end of the street address.

Format of Partnership or LLC Address

Enter the street address or PO Box number (if mail is not deliverable to the street address), in Field 0140, Partnership's/LLC's Address 1. Also, enter the PMB here. Use field 0145, Partnership's/LLC's Address 2, to enter the physical location if it is different from the mailing address or additional information such as suite number, building number, etc.

General Format Information
(Continued)

Format of Partner or Member Name

We have provided three 35-position fields for the name of the partner or member. Use Field 0040, Partner's/Member's Name 1, when the partner or member is an individual, partnership, LLC, trust, or business. Enter the full name in order of first name, space, middle initial, space and last name. Use Fields 0050 and 0060, Partner's/Member's Name 2 and Partner's/Member's Name 3, to complete the name information from Field 0040, Partner's/Member's Name 1, if needed.

Format of Partner or Member Address

Enter the street address or PO Box number (if mail is not deliverable to the street address), in Field 0070, Partner's/Member's Address 1. Also, enter the PMB here. Use Field 0080, Partner's/Member's Address 2, to enter the physical location if it is different from the mailing address or additional information such as suite number, building number, etc.

General or Limited Partner

Enter a “G” or “L” in Field 0170, General or Limited Partner. Field 0170 is not applicable to LLCs. Therefore, leave the field blank when entering LLC member information.

Foreign Addresses

Required format for foreign addresses:

	Field	**Enter**
1.	**Address**	**The Address**

Enter the street/mailing address in the address field. Do not include the city or country name here.

2.	**City**	**The City Name**

Enter the city name in the city field. Do not include the country name here.

3.	**State**	**“..” “b.” “.b”**

These are the only entries the "state" field will accept, other than a valid postal abbreviation.

4.	**ZIP Code**	**Blank**

Do not enter any value in the ZIP Code field.

5.	**Country**	**1-19 Characters**

Enter the country for the partnership, Field 0165, or the partner, Field 0115, only when the country is other than USA.

General Format Information

(Continued)

Example of Excel Spreadsheet

Below is an example of how Schedule K-1 (565 or 568) data appears when entered in an Excel spreadsheet. Detail information will carry out to column “FI”.

	A	B	C	D	E	F	G
1	H01	1012004	12312004	333333333	PROD	22222222222222	LLC 1 INFO
2	D01	SCH K1 568	00000001	333333333	444444441	MEMBER 1 INFORMATION	
3	D01	SCH K1 568	00000002	333333333	444444442	MEMBER 2 INFORMATION	
4	D01	SCH K1 568	00000003	333333333	444444443	MEMBER 3 INFORMATION	
5	D01	SCH K1 568	00000004	333333333	444444444	MEMBER 4 INFORMATION	
6	T01	333333333	0000000004				
7	H01	1012004	12312004	666666666	PROD	55555555555555	LLC 2 INFO
8	D01	SCH K1 568	00000001	666666666	777777771	MEMBER 1 INFORMATION	
9	D01	SCH K1 568	00000002	666666666	777777772	MEMBER 2 INFORMATION	
10	T01	666666666	0000000002				
11	H01	1012004	12312004	888888888	PROD	11111111111111	LLC 3 INFO
12	D01	SCH K1 568	00000001	888888888	999999991	MEMBER 1 INFORMATION	
13	D01	SCH K1 568	00000002	888888888	999999992	MEMBER 2 INFORMATION	
14	D01	SCH K1 568	00000003	888888888	999999993	MEMBER 3 INFORMATION	

Tips on using an Excel spreadsheet

1. When saving your Excel spreadsheet, save it as a CVS (*.CVS) (Comma delimited) file.[1]
2. Use the Convert program **before** you drop the file onto the Verify program.
3. Do not use dashes or spaces with SSN or FEIN numbers.
4. When using Excel 2000 you must force the line control character by placing “Wrap Text” in the last defined field for every record, as suggested below:

H01 records

- Place the cursor in the individual cell, under the “O” column.
- Select "Format Cell" then click on “Alignment” then select “Wrap Text.”

D01 records

- Place the cursor in the individual cell, under the “FI” column[2] , select all detailed records.
- Select “Format Cell” then click on “Alignment” then select “Wrap Text.”

T01 records

- Place the cursor in the individual cell, under the “D” column.
- Select “Format Cell” then click on “Alignment” then select “Wrap Text.”

[1] View the delimited format by selecting “Open With” and choosing “Word Pad”.
[2] Do not select the entire column “FI” then select “Wrap Text”, select only the group of detailed records or the individual cell.

General Format Information

(Continued)

Example of Text File Layout:

Below is an example of converted files, opened in text editor with the line wrap off.

Schedules K-1 (565)

```
H010101200412312004333333333PROD22222222222222PARTNERSHIP  1   INFORMATION
D01SCH    K1  565    0000001333333333444444441PARTNER   1    INFORMATION
D01SCH    K1  565    0000002333333333444444442PARTNER   2    INFORMATION
D01SCH    K1  565    0000003333333333444444443PARTNER   3    INFORMATION
D01SCH    K1  565    0000004333333333444444444PARTNER   4    INFORMATION
T01333333333000000004
H010101200412312004666666666PROD55555555555555PARTNERSHIP  2  INFORMATION
D01SCH    K1  565    0000001666666666777777771PARTNER   1    INFORMATION
D01SCH    K1  565    0000002666666666777777772PARTNER   2    INFORMATION
T01666666666000000002
H010101200412312004888888888PROD11111111111111PARTNERSHIP  3  INFORMATION
D01SCH    K1  565    0000001888888888999999991PARTNER   1    INFORMATION
D01SCH    K1  565    0000002888888888999999992PARTNER   2    INFORMATION
D01SCH    K1  565    0000003888888888999999993PARTNER   3    INFORMATION
D01SCH    K1  565    0000004888888888999999994PARTNER   4    INFORMATION
D01SCH    K1  565    0000005888888888999999995PARTNER   5    INFORMATION
D01SCH    K1  565    0000006888888888999999996PARTNER   6    INFORMATION
T01888888888000000006
```

Schedules K-1 (568)

```
H010101200412312004333333333PROD22222222222222LLC   1   INFORMATION
D01SCH    K1  568    0000001333333333444444441MEMBER   1    INFORMATION
D01SCH    K1  568    0000002333333333444444442MEMBER   2    INFORMATION
D01SCH    K1  568    0000003333333333444444443MEMBER   3    INFORMATION
D01SCH    K1  568    0000004333333333444444444MEMBER   4    INFORMATION
T01333333333000000004
H010101200412312004666666666PROD55555555555555LLC   2   INFORMATION
D01SCH    K1  568    0000001666666666777777771MEMBER   1    INFORMATION
D01SCH    K1  568    0000002666666666777777772MEMBER   2    INFORMATION
T01666666666000000002
H010101200412312004888888888PROD11111111111111LLC   3   INFORMATION
D01SCH    K1  568    0000001888888888999999991MEMBER   1    INFORMATION
D01SCH    K1  568    0000002888888888999999992MEMBER   2    INFORMATION
D01SCH    K1  568    0000003888888888999999993MEMBER   3    INFORMATION
D01SCH    K1  568    0000004888888888999999994MEMBER   4    INFORMATION
D01SCH    K1  568    0000005888888888999999995MEMBER   5    INFORMATION
D01SCH    K1  568    0000006888888888999999996MEMBER   6    INFORMATION
T01888888888000000006
```

Schedule K-1 (565 or 568) Record Layout

Header Record

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0010	Record Type		AN	3	1 - 3	"H01"
0018	Calendar/Fiscal Yr Beginning		N	8	4 - 11	MMDDYYYY
0019	Calendar/Fiscal Yr Ending		N	8	12 - 19	MMDDYYYY
0020	Partnership/LLC ID (FEIN)		N	9	20 - 28	must be present
0025	Data Type Indicator		A	4	29 - 32	"TEST" or "PROD"
0125	Secretary of State File No.		AN	14	33 - 46	must be present for Schedule K-1 (568)
0130	Partnership's/LLC's Name 1		AN	35	47 - 81	must be present
0135	Partnership's/LLC's Name 2		AN	35	82 - 116	
0140	Partnership's/LLC's Address 1		AN	35	117 - 151	must be present
0145	Partnership's/LLC's Address 2		AN	35	152 - 186	
0150	Partnership's/LLC's City		AN	22	187 - 208	must be present
0155	Partnership's/LLC's State		AN	2	209 - 210	must be valid postal abbreviation
0160	Partnership'/LLC's Zip Code		AN	12	211-222	N or NNNNNbbbbbbb or NNNNNNNNNbbb or Blank
0165	Partnership's/LLC's Country Name		AN	19	223 - 241	
0170	Filler		AN	1740	242 - 1981	Blank

Detail Record

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0010	Record Type		AN	3	1 - 3	"D01"
0011	Record ID		AN	12	4 - 15	"SCHbbbK1b565" or "SCHbbbK1b568"
0012	Filler		AN	3	16 - 18	Blank
0015	Schedule Occurrence No.		N	7	19 - 25	must be present
0020	Partnership ID (FEIN)		N	9	26 - 34	must be present
0030	Partner's/Member's ID No. (FEIN, SSN or Corp #)		AN	9	35 - 43	N or "APPLD FOR" or "FOREIGNUS"
0040	Partner's/Member's Name 1		AN	35	44 - 78	must be present
0050	Partner's/Member's Name 2		AN	35	79 - 113	
0060	Partner's/Member's Name 3		AN	35	114 - 148	
0070	Partner's/Member's Address 1		AN	35	149 - 183	must be present
0080	Partner's/Member's Address 2		AN	35	184 - 218	
0090	Partner's/Member's City		AN	22	219 - 240	must be present

K-1 Record Layout

(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0100	Partner's/Member's State		AN	2	241 - 242	must have valid postal abbreviation
0110	Partner's/Member's Zip Code		AN	12	243 - 254	N or NNNNNbbbbbbb or NNNNNNNNNbbb or Blank
0115	Partner's/Member's Country Name		AN	19	255 - 273	
0170	General or Limited Partner only	A	A	1	274 - 274	"G" or "L" Blank for LLC
0180	Partner's/Member's share of liabilities nonrecourse	E/D	N	12	275 - 286	
0190	Partner's/Member's share of liabilities Qualified nonrecourse Financing	E/D	N	12	287 - 298	
0200	Partner's /Member'sshare Other Liabilities	E/D	N	12	299 - 310	
0210	Partner's/Member's Entity Type	B/A	N	2	311 - 312	01 = Individual 02 = S Corporation 03 = Estate/Trust 04 = Corporation 05 = General Partnership 06 = (LLC) 07 = (LLP) 08 = IRA/Keogh/SEP 09 = Limited Partnership 10 = Exempt Organization
0220	Publicly Traded Partnership/LLC	G/F(1)	A	1	313 - 313	"Y" or Blank
0225	Investment Partnership/LLC	G/F(2)	A	1	314 - 314	"Y" or Blank
0230	Partner's/Member's % of Profit Sharing before Decrease/Termination	D/C(i)	AN	8	315 - 322	999.9999
0235	Partner's/Member's % of Profit Sharing End of Year	D/C(ii)	AN	8	323 - 330	999.9999
0238	Partner's/Member's % of Loss Sharing before Decrease/Termination	D/C(i)	AN	8	331 - 338	999.9999
0240	Partner's/Member's % of Loss Sharing End of Year	D/C(ii)	AN	8	339 - 346	999.9999

K-1 Record Layout
(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0245	Partner's/Member's % Capital Ownership before Decrease/Termination	D/C(i)	AN	8	347 - 354	999.9999
0248	Partner's/Member's % Capital Ownership End of Year	D/C(ii)	AN	8	355 - 362	999.9999
0250	Tax Shelter Registration No.	F/E	AN	13	363 - 375	NNNNNNNNNNNbb or "APPLIEDbFOR", "NOTbNOTIFIED" or blank
0260	Final Schedule K-1	H/G	A	1	376 - 376	"Y" or Blank
0270	Amended K-1	H/G	A	1	377 - 377	"Y" or Blank
0280	Foreign Partner/Member	C/B	A	1	378 - 378	"Y" or "N"
0290	California Non-Resident	I/H	A	1	379 - 379	"Y" or "N"
0370	Capital Acct @ Begin of Year	J/I(a)	N	12	380 - 391	
0380	Capital Contributed During Yr	J/I(b)	N	12	392 - 403	
0390	Partner's/Member's Share of Ln 3, Ln 4 and Ln 7, Sch M-2	J/I(c)	N	12	404 - 415	
0420	Withdrawals & Distributions	J/I(d)	N	12	416 - 427	
0430	Capital Acct @ End of Year	J/I(e)	N	12	428 - 439	
0440	Ordinary Income (Loss) from Trade or Business Activities	1	N	12	440 - 451	
0445	CA Col. (d) Ordinary Income (Loss) from Trade or Business	1	N	12	452 - 463	
0450	CA Col. (e) Ordinary Income (Loss) from Trade or Business	1	N	12	464 - 475	
0455	Net Income (Loss) from Rental Real Estate Activities	2	N	12	476 - 487	
0460	CA Col. (d) Net Income (Loss) from Rental Real Estate	2	N	12	488 - 499	
0465	CA Col. (e) Net Income (Loss) from Rental Real Estate	2	N	12	500 - 511	
0470	Net Income (Loss) from Other Rental Activities	3	N	12	512 - 523	
0475	CA Col. (d) Net Income (Loss) from Other Rental Activities	3	N	12	524 - 535	
0480	CA Col. (e) Net Income (Loss) from Other	3	N	12	536 - 547	
0485	Portfolio Income (Loss): Interest	4a	N	12	548 - 559	

K-1 Record Layout

(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0490	CA Col. (d): Interest	4a	N	12	560 - 571	
0495	CA Col. (e): Interest	4a	N	12	572 - 583	
0500	Portfolio Income (Loss): Dividends	4b	N	12	584 - 595	
0505	CA Col. (d): Dividends	4b	N	12	596 - 607	
0510	CA Col. (e): Dividends	4b	N	12	608 - 619	
0515	Portfolio Income (Loss): Royalties	4c	N	12	620 - 631	
0520	CA Col. (d): Royalties	4c	N	12	632 - 643	
0525	CA Col. (e): Royalties	4c	N	12	644 - 655	
0530	Net Capital Gain (Loss)	4d	N	12	656 - 667	
0535	CA Col. (d): Cap. Gain/Loss	4d	N	12	668 - 679	
0540	CA Col. (e): Cap. Gain/Loss	4d	N	12	680 - 691	
0545	Portfolio Income (Loss): Other	4e	N	12	692 - 703	
0550	CA Col. (d): Other Portfolio	4e	N	12	704 - 715	
0555	CA Col. (e): Other Portfolio	4e	N	12	716 - 727	
0560	Guaranteed Pymt to Partners/Members	5	N	12	728 - 739	
0565	CA Col. (d): Pymt to Partners/Members	5	N	12	740 - 751	
0570	CA Col. (e): Pymt to Partners/Members	5	N	12	752 - 763	
0575	Net Gain (Loss) Under IRC Section 1231	6	N	12	764 - 775	
0580	CA Col. (d): IRC Section 1231	6	N	12	776 - 787	
0585	CA Col. (e): IRC Section 1231	6	N	12	788 - 799	
0590	Other Income (Loss): Other	7	N	12	800 - 811	
0595	CA Col. (d): Other Inc. (Loss)	7	N	12	812 - 823	
0600	CA Col. (e): Other Inc. (Loss)	7	N	12	824 - 835	
0605	Charitable Contributions	8	N	12	836 - 847	
0610	CA Col. (d): Char. Contrib.	8	N	12	848 - 859	
0615	CA Col. (e): Char. Contrib.	8	N	12	860 - 871	
0620	Expense Deduction for Recovery Property (R&TC Sections 17267.2, 17267.6 and 17268 and IRC Section 179)	9	N	12	872 - 883	
0625	CA Col. (d): Exp. Deduction	9	N	12	884 - 895	

K-1 Record Layout
(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0630	CA Col. (e): Exp. Deduction	9	N	12	896 - 907	
0635	Deductions Related to Portfolio Income	10	N	12	908 - 919	
0640	CA Col. (d): Portfolio Deduct.	10	N	12	920 - 931	
0645	CA Col. (e): Portfolio Deduct.	10	N	12	932 - 943	
0650	Other Deductions	11	N	12	944 - 955	
0655	CA Col. (d): Other Deduct.	11	N	12	956 - 967	
0660	CA Col. (e): Other Deduct.	11	N	12	968 - 979	
0665	Interest Expense on Investment Debts	12a	N	12	980 - 991	
0670	CA Col. (d): Int. Exp. Inv. Debt	12a	N	12	992 - 1003	
0675	CA Col. (e): Int. Exp. Inv. Debt	12a	N	12	1004 - 1015	
0680	Investment Income Included on Line 4a thru 4e	12b(1)	N	12	1016 - 1027	
0685	CA Col. (d): Line 4a thru 4e	12b(1)	N	12	1028 - 1039	
0690	CA Col. (e): Line 4a thru 4e	12b(1)	N	12	1040 - 1051	
0695	Investment Expenses Included on Line 10	12b(2)	N	12	1052 - 1063	
0700	CA Col. (d): Line 10	12b(2)	N	12	1064 - 1075	
0705	CA Col. (e): Line 10	12b(2)	N	12	1076 - 1087	
0710	CA Col. (d): Withholding on Partnership/LLC Allocated to all Partners/Members	13a(1)	N	12	1088 - 1099	
0715	CA Col. (e): Withholding on Partnership/LLC Allocated to all Partners/Members	13a(1)	N	12	1100 - 1111	
0720	CA Col. (d): Partnership/LLC W/H on Nonresident Partners/Members	13a(2)	N	12	1112 - 1123	
0725	CA Col. (e): Partnership/LLC W/H on Nonresident Partners/Members	13a(2)	N	12	1124 - 1135	
0730	CA Col. (d): Total Withholding	13a(3)	N	12	1136 - 1147	
0735	CA Col. (e): Total Withholding	13a(3)	N	12	1148 - 1159	
0740	CA Col. (d): Low Inc House Cr.	13b	N	12	1160 - 1171	
0745	CA Col. (e): Low Inc House Cr.	13b	N	12	1172 - 1183	

K-1 Record Layout
(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0750	CA Col. (d): Other Rental Activities Cr.	13c	N	12	1184- 1195	
0755	CA Col. (e): Other Rental Activities Cr.	13c	N	12	1196 - 1207	
0760	CA Col. (d): Other Rental Activities Cr.	13d	N	12	1208 - 1219	
0765	CA Col. (e): Other Rental Activities Cr.	13d	N	12	1220 - 1231	
0770	Nonconsenting members tax paid by LLC	13e	N	12	1232 - 1243	LLC only, enter zero for partnerships
0775	Nonconsenting members tax paid by LLC	13e	N	12	1244 - 1255	LLC only, enter zero for partnerships
0780	CA Col. (d): Other Credits	14	N	12	1256 - 1267	
0785	CA Col. (e): Other Credits	14	N	12	1268 - 1279	
0790	Depr Adj on Prop Placed in Service after 1986	15a	N	12	1280 - 1291	
0795	CA Col. (d): Depr Adj - 1986	15a	N	12	1292 - 1303	
0800	CA Col. (e): Depr Adj - 1986	15a	N	12	1304 - 1315	
0805	Adjusted Gain or Loss	15b	N	12	1316 - 1327	
0810	CA Col. (d): Adj Gain or Loss	15b	N	12	1328 - 1339	
0815	CA Col. (e): Adj Gain or Loss	15b	N	12	1340 - 1351	
0820	Depletion - Non Gas or Oil	15c	N	12	1352 - 1363	
0825	CA Col. (d): Depletion	15c	N	12	1364 - 1375	
0830	CA Col. (e): Depletion	15c	N	12	1376 - 1387	
0835	Gross Inc from Oil, Gas and Geothermal Properties	15d(1)	N	12	1388 - 1399	
0840	CA Col. (d): Gr Inc Oil, etc.	15d(1)	N	12	1400 - 1411	
0845	CA Col. (e): Gr Inc Oil, etc.	15d(1)	N	12	1412 - 1423	
0850	Ded alloc to Oil, Gas and Geothermal Properties	15d(2)	N	12	1424 - 1435	
0855	CA Col. (d): Deduct - Oil etc.	15d(2)	N	12	1436 - 1447	
0860	CA Col. (e): Deduct - Oil, etc.	15d(2)	N	12	1448 - 1459	
0865	Other Adjustments and Tax Preference Items	15e	N	12	1460 - 1471	
0870	CA Col. (d): Othr Adj Tax Pref	15e	N	12	1472 - 1483	
0875	CA Col. (e): Othr Adj Tax Pref	15e	N	12	1484 - 1495	
0880	Total Expend. to which an IRC Section 59(e) Elec. May Apply	16a	N	12	1496 - 1507	
0885	CA Col. (d): IRC Sec 59(e)	16a	N	12	1508 - 1519	

K-1 Record Layout

(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0890	CA Col. (e): IRC Sec 59(e)	16a	N	12	1520 - 1531	
0895	Tax-Exempt Interest Income	17	N	12	1532 - 1543	
0900	CA Col. (d): Tax-Exmp Int Inc	17	N	12	1544 - 1555	
0905	CA Col. (e): Tax-Exmp Int Inc	17	N	12	1556 - 1567	
0910	Other Tax-Exempt Income	18	N	12	1568 - 1579	
0915	CA Col. (d): Oth Tax-Exmp Inc	18	N	12	1580 - 1591	
0920	CA Col. (e): Oth Tax-Exmp Inc	18	N	12	1592 - 1603	
0925	Nondeductible Expenses	19	N	12	1604 - 1615	
0930	CA Col. (d): Nondeduct Exp	19	N	12	1616 - 1627	
0935	CA Col. (e): Nondeduct Exp	19	N	12	1628 - 1639	
0940	Distribution of Money	20	N	12	1640 - 1651	
0945	CA Col. (d): Distrib of Money	20	N	12	1652 - 1663	
0950	Distribution of Property Other than Money	21	N	12	1664 - 1675	
0955	CA Col. (d): Distrib of Prop	21	N	12	1676 - 1687	
0960	Supplemental Information	22	N	12	1688 - 1699	
0965	Intangible Interest	22-1	N	12	1700 - 1711	
0970	Intangible 1231 Gains/Losses Total Payroll Apportionment	22-1	N	12	1712 - 1723	
0975	Intangible Capital Gains/Losses	22-1	N	12	1724 - 1735	
0980	Intangible Dividends Total Sales Apportionment	22-1	N	12	1736 - 1747	
0985	Intangible Royalties CA Sales Apportionment	22-1	N	12	1748 - 1759	
0990	Intangible Other	22-1	N	12	1760 - 1771	
0995	Partner's/Members Share of Income Apportionment	22-2-A	N	12	1772 - 1783	
1000	Nonbusiness CA Capital Gains/Losses	22-2-B	N	12	1784 - 1795	
1005	Nonbusiness CA Rents/Royalties	22-2-B	N	12	1796 - 1807	
1010	Nonbusiness CA 1231 Gains/Losses	22-2-B	N	12	1808 - 1819	
1015	Nonbusiness CA Other	22-2-B	n	12	1820 - 1831	
1020	Total Property (beginning) Apportionment	22-2-C	N	12	1832 - 1843	

K-1 Record Layout
(Continued)

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
1025	CA Property (beginning) Apportionment	22-2-C	N	12	1844 - 1855	
1030	Total Property (ending) Apportionment	22-2-C	N	12	1856 - 1867	
1035	CA Property (ending) Apportionment	22-2-C	N	12	1868 - 1879	
1040	Total Rent Expense Apportionment	22-2-C	N	12	1880 - 1891	
1045	CA Rent Expense Apportionment	22-2-C	N	12	1892 - 1903	
1050	Total Payroll Apportionment	22-2-C	N	12	1904 - 1915	
1055	CA Payroll Apportionment	22-2-C	N	12	1916 - 1927	
1060	Total Sales Apportionment	22-2-C	N	12	1928 - 1939	
1065	CA Sales Apportionment Supplemental Information	22-2-C	N	12	1940 - 1951	
1070	Type of Expenditures	16b	AN	30	1952 - 1981	

Trailer Record

Field Number	Field Name	Form Ref.	Type	Length	Position	Field Description
0010	Record Type		AN	3	1 - 3	“T01”
0020	Partnership/LLC ID		N	9	4 - 12	
0030	Number of K-1s for Fund		N	10	13 - 22	
0040	Filler		AN	1959	23 - 1981	Blank

YEAR
2004

Partner's Share of Income, Deductions, Credits, etc.

CALIFORNIA SCHEDULE
K-1 (565)

For calendar year 2004 or fiscal year beginning month _______ day ______ year 2004, and ending month _______ day _______ year _______

Partner's identifying number

Partner's name, address, state, and ZIP Code

Partnership's FEIN

Secretary of State file number

Partnership's name, address, state, and ZIP Code

A Is this partner a: ● **(1)** ☐ general partner; or **(2)** ☐ limited partner?

B What type of entity is this partner? ●

(1) ☐ Individual **(5)** ☐ General Partnership **(8)** ☐ LLC
(2) ☐ S Corporation **(6)** ☐ Limited Partnership **(9)** ☐ IRA/Keogh/SEP
(3) ☐ Estate/Trust **(7)** ☐ LLP **(10)** ☐ Exempt Organization
(4) ☐ C Corporation

C Is this partner a foreign partner? . . . . ● ☐ Yes ☐ No

D Enter partner's percentage (without regard to special allocations) of:

	(i) Before decrease or termination	**(ii)** End of year
Profit sharing	___.____%	● ___.____%
Loss sharing	___.____%	● ___.____%
Ownership of capital	___.____%	● ___.____%

E Partner's share of liabilities:

Nonrecourse . . . . ● $ ______________
Qualified nonrecourse financing . . . . ● $ ______________
Other . . . . ● $ ______________

F Tax shelter registration number ______________________________

G **(1)** Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) . . . . ☐

(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1) . . . . ☐

H Check here if this is: ●

(1) ☐ A final Schedule K-1 (565) **(2)** ☐ An amended Schedule K-1 (565)

I Is this partner a nonresident of California? . . . . ▶ ☐ Yes ● ☐ No

J Analysis of partner's capital account:

(a) Capital account at beginning of year	**(b)** Capital contributed during year	**(c)** Partner's share of line 3, line 4, and line 7, Form 565, Schedule M-2	**(d)** Withdrawals and distributions	**(e)** Capital account at end of year, combine column (a) through column (d)
●	●	●	( )	●

Caution: Refer to Partner's Instructions for Schedule K-1 (565) before entering information from this schedule on your California return.

	(a) Distributive share items	**(b)** Amounts from federal Schedule K-1 (1065)	**(c)** California adjustments	**(d)** Total amounts using California law. Combine col. (b) and col. (c)	**(e)** California source amounts and credits
Income (Loss)	**1** Ordinary income (loss) from trade or business activities			●	▶
	2 Net income (loss) from rental real estate activities			●	▶
	3 Net income (loss) from other rental activities				
	4 Portfolio income (loss):				
	a Interest			●	▶
	b Dividends			●	▶
	c Royalties			●	▶
	d Net capital gain (loss)			●	▶
	e Other portfolio income (loss). Attach schedule			●	▶
	5 Guaranteed payments to partners			●	▶
	6 Net gain (loss) under IRC Section 1231 (other than due to casualty or theft)			●	▶
	7 Other income (loss). Attach schedule			●	▶
Deductions	**8** Charitable contributions				
	9 Expense deduction for recovery property (R&TC Sections 17267.2, 17267.6, 17268, and IRC Section 179). Attach schedule				
	10 Deductions related to portfolio income. Attach schedule				
	11 Other deductions. Attach schedule				

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	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Investment Interest	12 a Interest expense on investment debts . . .				
	b (1) Investment income included on lines 4a, 4b, 4c, and 4e				
	(2) Investment expenses included on line 10				
Credits	13 a (1) Withholding on partnership allocated to all partners				
	(2) Partnership withholding on nonresident partners				
	(3) Total withholding (equals amount on Form 592-B if calendar year partnership)			●	▶
	b Low-income housing credit				
	c Credits other than line 13b related to rental real estate activities. Attach schedule				
	d Credits related to other rental activities. See instructions. Attach schedule				
	e Nonconsenting nonresident member's tax				
	14 Other credits. Attach required schedules or statements				
Adjustments and Tax Preference Items	15 a Depreciation adjustment on property placed in service after 1986				
	b Adjusted gain or loss				
	c Depletion (other than oil and gas)				
	d (1) Gross income from oil, gas, and geothermal properties				
	(2) Deductions allocable to oil, gas, and geothermal properties				
	e Other adjustments and tax preference items. Attach schedule				
Other	16 a Total expenditures to which an IRC Section 59(e) election may apply . . .				
	b Type of expenditures________________				
	17 Tax-exempt interest income				
	18 Other tax-exempt income				
	19 Nondeductible expenses				
	20 Distributions of money (cash and marketable securities)				
	21 Distributions of property other than money				

22 Supplemental information required to be reported separately to each partner. Attach additional schedules. See instructions. $________________

Table 1 — Partner's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the partner):

Interest $ ____________________ Sec. 1231 Gains/Losses $ ____________________ Capital Gains/Losses $ ____________________

Dividends $ ____________________ Royalties $ ____________________ Other $ ____________________

FOR USE BY APPORTIONING UNITARY PARTNERS ONLY – See instructions.

Table 2 — Partner's share of distributive items.

A. Partner's share of the partnership's business income. See instructions. $________________

B. Partner's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses $ ________________ Rents/Royalties $________________

Sec. 1231 Gains/Losses $ ________________ Other $________________

C. Partner's distributive share of the partnership's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	$	$
Ending	$	$
Annual Rent Expense	$	$
Payroll	$	$
Sales	$	$

YEAR **2004**

Member's Share of Income, Deductions, Credits, etc.

CALIFORNIA SCHEDULE **K-1 (568)**

For calendar year 2004 or fiscal year beginning month _______ day _______ year 2004, and ending month _______ day _______ year _______

Member's identifying number	**LLC's FEIN**
Member's name, address, state, and ZIP Code	**Secretary of State file number**
	LLC's name, address, state, and ZIP Code

A What type of entity is this member? ●

(1) ☐ Individual (5) ☐ General Partnership (8) ☐ LLC
(2) ☐ S Corporation (6) ☐ Limited Partnership (9) ☐ IRA/Keogh/SEP
(3) ☐ Estate/Trust (7) ☐ LLP (10) ☐ Exempt Organization
(4) ☐ C Corporation

B Is this member a foreign member? . . . . ● ☐ Yes ☐ No

C Enter member's percentage (without regard to special allocations) of: **(i)** Before decrease or termination **(ii)** End of year

Profit sharing . . . . ___.____% ● ___.____%
Loss sharing . . . . ___.____% ● ___.____%
Ownership of capital . . . . . ___.____% ● ___.____%

D Member's share of liabilities:
Nonrecourse . . . . ● $ _______________
Qualified nonrecourse financing . . . . ● $ _______________
Other . . . . ● $ _______________

E Tax shelter registration number _______________________________

F **(1)** Check here if this is a publicly traded partnership as defined in IRC Section 469(k)(2) . . . . ☐
(2) Check here if this is an investment partnership (R&TC Sections 17955 and 23040.1) . . . . ☐

G Check here if this is: ●
(1) ☐ A final Schedule K-1 (568) **(2)** ☐ An amended Schedule K-1 (568)

H Is this member a nonresident of California? . . . . ▶ ☐ Yes ● ☐ No

I Analysis of member's capital account:

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Member's share of line 3 , line 4, and line 7 Form 568, Schedule M-2	(d) Withdrawals and distributions	(e) Capital account at end of year, combine column (a) through column (d)
●	●	●	( )	●

Caution: Refer to Member's Instructions for Schedule K-1 (568) before entering information from this schedule on your California return.

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Income (Loss)	1 Ordinary income (loss) from trade or business activities			●	▶
	2 Net income (loss) from rental real estate activities			●	▶
	3 Net income (loss) from other rental activities				
	4 Portfolio income (loss):				
	a Interest			●	▶
	b Dividends			●	▶
	c Royalties			●	▶
	d Net capital gain (loss)			●	▶
	e Other portfolio income (loss). Attach schedule			●	▶
	5 Guaranteed payments to members			●	▶
	6 Net gain (loss) under IRC Section 1231 (other than due to casualty or theft)			●	▶
	7 Other income (loss). Attach schedule			●	▶
Deductions	8 Charitable contributions				
	9 Expense deduction for recovery property (R&TC Sections 17267.2, 17267.6, 17268, and IRC Section 179). Attach schedule				
	10 Deductions related to portfolio income. Attach schedule				
	11 Other deductions. Attach schedule				

	(a) Distributive share items	(b) Amounts from federal Schedule K-1 (1065)	(c) California adjustments	(d) Total amounts using California law. Combine col. (b) and col. (c)	(e) California source amounts and credits
Investment Interest	12 a Interest expense on investment debts				
	b (1) Investment income included on lines 4a, 4b, 4c, and 4e				
	(2) Investment expenses included on line 10				
Credits	13 a (1) Withholding on LLC allocated to all members				
	(2) LLC withholding on nonresident members				
	(3) Total withholding (equals amount on Form 592-B if calendar year LLC)			●	▶
	b Low-income housing credit				
	c Credits other than line 13b related to rental real estate activities. Attach schedule				
	d Credits related to other rental activities. See instructions. Attach schedule				
	e Nonconsenting nonresident member's tax paid by LLC				
	14 Other credits. Attach required schedules or statements				
Adjustments and Tax Preference Items	15 a Depreciation adjustment on property placed in service after 1986				
	b Adjusted gain or loss				
	c Depletion (other than oil and gas)				
	d (1) Gross income from oil, gas, and geothermal properties				
	(2) Deductions allocable to oil, gas, and geothermal properties				
	e Other adjustments and tax preference items. Attach schedule				
Other	16 a Total expenditures to which an IRC Section 59(e) election may apply.				
	b Type of expenditures________________				
	17 Tax-exempt interest income				
	18 Other tax-exempt income				
	19 Nondeductible expenses				
	20 Distributions of money (cash and marketable securities)				
	21 Distributions of property other than money				

22 Supplemental information required to be reported separately to each member. Attach additional schedules. See instructions. $________________

Table 1 — Member's share of nonbusiness income from intangibles (source of income is dependent on residence or commercial domicile of the member):

Interest $ ______________________ Sec. 1231 Gains/Losses $ ______________________ Capital Gains/Losses $ ______________________

Dividends $ ______________________ Royalties $ ______________________ Other $ ______________________

FOR USE BY APPORTIONING UNITARY MEMBERS ONLY – See instructions.

Table 2 — Member's share of distributive items.

A. Member's share of the LLC's business income. See instructions. $_________________

B. Member's share of nonbusiness income from real and tangible personal property sourced or allocable to California.

Capital Gains/Losses $ _________________ Rents/Royalties $__________________

Sec. 1231 Gains/Losses $ _________________ Other $__________________

C. Member's distributive share of the LLC's property, payroll, and sales:

Factors	Total within and outside California	Total within California
Property: Beginning	$	$
Ending	$	$
Annual Rent Expense	$	$
Payroll	$	$
Sales	$	$

Section 5 – Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette (FTB 3604)

Transmittal Requirements

A completed copy of the *Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette* (form FTB 3604), found on the following page, **must** accompany all media. If the form is not included with the CD or diskette, or it is lacking information, we cannot process the Schedules K-1 files and may need to return them to the transmitter.

Transmitter Information

- Indicate the Taxable Year Beginning and Taxable Year Ending dates (dates must match calendar/fiscal year beginning and ending dates on Forms 565 and 568).
- Indicate the type of Schedule K-1s: final, amended, or short period.
- Provide the FEIN of the **transmitter**, not the partnership or LLC, in the Transmitter FEIN field.
- Indicate the type of Schedule K-1 submitted: 565 or 568.
- Indicate the type of K-1s: final, amended or short period.
- Identify the transmitter, partnership or LLC, and software developer/preparer.
- Include the transmitter phone number and e-mail address.

Preparer Information

- Complete the preparer information, when the preparer is not the transmitter.

Partnership Information

- Provide the **email address of the partnership or LLC**, if possible.
- Provide the FEIN of the partnership or LLC.
- If the partnership or LLC FEIN is the same, but the **name has changed,** please indicate the name previously used.

Media Characteristics

- Record Length: 1981.
- All files on any single media must be for same calendar period.
- Please do not include original Schedule K-1 files on media containing amended Schedule K-1 files.

File Preparation

- Include the transmitter's name on the outside of the media.
- Confirm the *Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette* (form FTB 3604), is included in envelope or package.

Transmittal of Paperless Schedules K-1 (565 or 568) on CD or Diskette

Complete the following information and send it with your files. If this form does not accompany the media file or is not complete, the K-1 files cannot be processed and will be returned to the sender.

Taxable Year Beginning (MM/DD/YYYY) ___________________ Taxable Year Ending (MM/DD/YYYY) ___________________

Type of file: ☐ Original ☐ Replacement ☐ Amended K-1s ☐ Short Period K-1s ☐ Test

Transmitter Information	**Preparer Information** (if other than Transmitter)
FEIN:	Name:
Name:	Address:
Address:	City, State, ZIP:
City, State, ZIP:	Phone Number: ( ) –
Phone Number: ( ) –	

Type of Media File Submitted: ☐ **Schedules K-1 (565)** ☐ **Schedules K-1 (568)**

Partnership or LLC Information

List names of partnerships or LLCs reported on your media file.

	Partnership or LLC Name	FEIN	Number of K-1s
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

GRAND TOTAL OF K-1s =

Media Characteristics

Name and phone number of software provider:

CARTRIDGES	Media No.	External Label No.	CD or DISKETTE
Internal Header Labels:	1 of		ZIP Files
☐ Yes ☐ No	2 of		
Recording Mode:	3 of		☐ Yes ☐ No
☐ EBCDIC ☐ ASCII	4 of		
Record Length = 1981	5 of		Filename ___________________________
Blocksize =	6 or		

Person to contact if we experience media problems:

Name: ____

Company: ____

Telephone: ( ) – ______________________ Ext. ______________________

FAX #: ( ) – ______________________ email address ______________________

Instructions for Form FTB 3604

A Form Preparation

Prepare a separate Form 3604 for each CD, diskette, or cartridge. Also, prepare a separate Form 3604 for each type of paperless Schedule K-1 (565 or 568).

1. **Header information**
   - All paperless K-1 files on the media must be for the same calendar period.
   - Use separate transmittals if the dates are different when you send multiple sets of media.
   - Use separate transmittals and media for Schedules K-1 (565) and Schedules K-1 (568).
   - Do not mix original paperless Schedule K-1 files with amended, replacement, short period, or test paperless K-1 files on the CD, diskette, or cartridge.
   - Use separate transmittals for original, amended, replacement, short period, and test paperless K-1 files.
2. **Transmitter information**
   The transmitter is the entity that sends paperless Schedule K-1 files to FTB. The partnership, tax preparer, third party preparer, or software provider can be the transmitter.
3. **Partnership or LLC Information**
   - List each partnership or LLC separately.
   - Do not put partnership and LLC data on the same transmittal or media file.
4. **Media characteristics**
   - Limit the number of files per CD, diskette, or cartridge to **20**.
   - Multiple partnership or LLC files can be loaded onto a CD or diskette. It is not necessary to use a separate CD or diskette for each file.
   - When using multiple cartridges, enter the sequence numbers so that we can mount them in the proper sequence.

B File Preparation

1. Affix a label with the following information:
   - Name of the transmitter.
   - Name of software provider, if other than the transmitter.
   - Type of Paperless K-1 Schedule (565 or 568).
   - Number of CDs, diskettes, or cartridges.
   - Block number if label is on a cartridge.
2. If you submit multiple CDs, diskettes, or cartridges, list the volume sequence numbers on the labels (i.e., 1 of 2, 2 of 2). If you submit only one CD, diskette, or cartridge, list it as “1 of 1”.

C Shipping and Mailing Instructions

1. **Paperless Schedule K-1:** Complete this form and include it with the media. You must include it for us to process the media.

   SHIPPING BY PARCEL POST

   DATA EXCHANGE, K-1s, MS A-10
   Franchise Tax Board
   9646 Butterfield Way
   Sacramento CA 95827

   U.S. POSTAL SERVICE

   DATA EXCHANGE, K-1s, MS A-10
   Franchise Tax Board
   PO Box 942840
   Sacramento CA 94240-6090
2. **Form 565 or 568 tax return**
   - Do not mail Forms 565 or 568 or any payments with the Paperless Schedule K-1 files.
   - Insure that the phone number of both the general partner and preparer are on Form 565.
   - Insure that the phone number of both the officer and the preparer are on Form 568.
   - **Mail returns with no payments to:**
     Franchise Tax Board
     PO Box 942857
     Sacramento CA 94257-0600
   - **Mail returns with payments to:**
     Franchise Tax Board
     PO Box 942857
     Sacramento CA 94257-0601

D Contact Information

For further information regarding magnetic media reporting, please call our Data Exchange Production Services at (916) 845-3778.

Section 6 – Error Code Descriptions

Reference Number	Error Message
1	Monetary fields must be in numeric format "-0000000000"
2	Valid date format is MMDDYYYY
3	Entry must be numeric, APPLD FOR, or FOREIGNUS
4	Entry is required
5	State field is required with a valid postal abbreviation
6	ZIP code does not match field description
7	Entry must be numeric
8	Partnership Indicator must be "G" or "L"
9	Entity type must be "01" through "10"
10	Valid entry is "Y" or blank
11	Entry must be 11 numeric, APPLIED FOR, NOT NOTIFIED, or blank
12	Valid entry is "Y" or "N"
13	Valid entry is "TEST" or "PROD"
14	Valid entry is SCHbbbK1b565or SCHbbbK1b568
15	Valid entry must be blank
16	Header record count must equal Trailer record count
17	Header record count must equal Entity count
18	Field 0020 in Header, Detail, and Trailer records must match
19	Number of K1s for Fund does not equal Detail record count
20	Percent field valid format is "999.9999"
21	IYB valid dates are 12242003 through 12072005
22	IYE valid dates are 12252003 through 12082005
23	IYB must be less than IYE
24	IYE must be less than today's date
25	IYB/IYE period is more than 53 weeks
26	Entry must be numeric or alphanumeric
27	File record out of sequence
28	Field 0020 and 0030 must be different
29	Header, Detail, or Trailer record do not equal H01, D01, or T01
30	Occurrence number does equal Detail record count
31	Valid entry must be zero's
62	****Warning: Data type indicator is TEST***
63	Exceeds field length
64	Fatal Error

Section 7 – K-1 Edit Program Report

Overview

After receiving the file from the transmitter, we run the files through our K-1 Edit Program. This program checks every field of every record to ensure they conform to the values and format specified in this publication. If any record or field within the K-1 file fails to meet the edit criteria, the K-1 Edit Program produces a failed K-1 Edit Program Report, which is described in detail below.

Since format errors often repeat themselves throughout a file, we limit the total number of errors per file to 100. If we find more than 100 errors, the K-1 Edit Program stops reading the file and produces an error report. Records after the point where the edit program stopped are not edited until the first 100 errors are corrected.

For participants who submit their **K-1 files via CD or diskette**, we request that you use **K-1 TestWare** to ensure the files are error free. Transmitters who submit files via cartridge may also use K-1 TestWare, if the files can be converted to a PC format for testing purposes (see page 5 for more information concerning K-1 TestWare). K-1 TestWare allows you to view all errors contained within the file.

K-1 Edit Program Report

The explanations below, correspond with the numbers listed on the sample K-1 Edit Report located on page 36. [3]

1 Using FTB Form 3604, which is required to accompany each CD, disk, or cartridge, we enter the transmitter information into our database. This provides us with a contact person if there is an issue with the file.

2 **INPUT DATASET –** The dataset is used for internal tracking of Paperless Schedule K-1 files.

3 **FILE TYPE –** The transmitter indicates in the Header record if the file is test or production data. "TEST" indicates the file is a test and no data is retained. **Test files do not constitute valid filing.** "PROD" indicates the file is production and after successfully passing the edit program, the data will be used to update the partnership's and LLC's file. The Schedules K-1 are not considered filed until the production file has successfully passed our edits and is posted to the partnership's or LLC's account.

[3] **NOTE:** The report shows partnerships or LLCs and their related information listed in file order. Processing stops after 100 errors are detected. This can occur before the entire partner's or member's record layouts are processed.

K-1 Edit Program Report
(Continued)

4 **FILE PASSED/FAILED –** "PASSED" indicates we identified no errors for that partnership or LLC. "FAILED" appears on this line when the edit program identifies an error condition for the specific partnership or LLC. The entire file fails the edit program when just one partnership or LLC is identified with a failed status.

5 **FILING PERIOD BEGIN –** This date must match the date entered on Form 565, "For calendar year 2004 or fiscal year beginning month, day, and year".

6 **FILING PERIOD END –** This date must match the date entered on Forms 565 and 568, "For calendar year 2004 or fiscal year ending month, day, and year".

7 **HEADER FEIN –** The FEIN for the individual partnership or LLC, processed by the edit program.

8 **HEADER NAME 1 –** The NAME for the individual partnership or LLC, processed by the edit program.

9 **HEADER NAME 2 –** The DBA for the individual partnership or LLC, processed by the edit program.

10 **NUMBER OF SCH K-1s –** The number of detail records that "PASSED" the edit process for the individual partnership or LLC. The number of detail records must equal the number of partners or members reported on the Form 565 or Form 568.

————————————ERROR DETAIL SECTION————————————

11 **HEADER FEIN –** The FEIN for each partnership or LLC included in the file. The FEIN, in combination with the OCCURRENCE NO, will help you identify the specific record within the file that is in error. The report will display all blanks or zeros when the FEIN does not contain a valid entry.

12 **OCCURRENCE NO –** The Number of the exact Schedule K-1 record that is in error. It is used in combination with PTNRSHP/LLC FEIN, PTNR/MBR FEIN, and PTNR/MBR NAME to identify the exact record in error.

13 **DETAIL FEIN –** The FEIN for each partner or member must be included in the file. The FEIN, NAME, and OCCURENCE NO will help you identify the specific record within the file that is in error.

14 **DETAIL NAME 1 –** The program displays the NAME of each partner or member in order as it edits the file.

15 **FIELD NO/NAME –** Represents the 4-digit Field Number and abbreviated Field Name for the field with an error.

K-1 Edit Program Report
(Continued)

16 **ERROR MESSAGE –** Some error messages are specific to a field, others (i.e., "NON NUMERIC VALUES IN NUMERIC FIELD") are more general. Use the information in FIELD VALUE, ERROR MESSAGE and the K-1 Record Layout in this publication to determine the specific problem with a field. See "Commonly Found Errors" on page 35 for more information.

17 **FIELD VALUE –** The value the edit program found in the field. If a blank value is invalid and the edited field contains a blank, the report will display the word BLANK.

18 Lines 11 through 17 are used together to help you determine the specific record within the file that the edit program has identified as having an error. This group will be repeated for all errors found in the file or until the maximum of 100 errors are identified.

19 ***********RUN ABORTED MORE THAN 100 ERRORS FOUND**********

This message appears when the system identifies more than 100 errors in the file during the edit process. If there are less than 100 errors, this message is not printed. The example on page 36 displays only two errors in order to save space. The actual report will display all 100 errors.

————————————END OF JOB REPORT————————————

20 **OVERALL TEST RESULTS –** When the edit program encounters one or more errors, the value "FAILED" will display. When there are no errors, the value "PASSED" will display. For multiple partnership or LLC files, the failure of just one of the partnerships or LLCs will result in an overall failure. All the records in a file must be valid for the file to pass.

21 **TOTAL NUMBER OF RECORDS –** The total number of header, detail and trailer records read in the file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the records completed before the program stopped.

22 **TOTAL NUMBER OF HEADERS –** The total number of Header Records (H01) read. There must be one Header Record for each partnership or LLC. For multiple partnership or LLC files, there must be a Header Record at the beginning of each file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Header Records with matching Detail and Trailer Records completed before the program stopped.

K-1 Edit Program Report

(Continued)

(23) **TOTAL NUMBER OF DETAILS –** The total number of partner or member Detail Records (D01) read. The number of detail records must match the number of Schedule K-1s (page 32, #10). There must be one Detail Record for each partner or member. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Header Records with matching Detail and Trailer Records completed before the program stopped.

(24) **TOTAL NUMBER OF TRAILERS –** The total number of Partnership or LLC Trailer Records (T01) read. For multiple partnership or LLC files, there must be a Trailer Record at the end of each file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Partnership Trailer Records, with matching Header Records completed before the program stopped.

(25) **TOTAL NUMBER OF ERRORS –** The total number of errors found by the edit program. This number is never greater than 100. Detailed information for each error is found in the Error Detail Section of the report.

Commonly Found Errors

To locate errors, identify the **FEIN, Name, and Occurrence Number** of the error. Once you have located these identifiers, it will be much easier to recognize the error. **Note:** The same type of error often has multiple occurrences.

FILE TYPE

We cannot pass data from files designated TEST to our mainframe for posting to an account. After you have successfully completed testing your program, be sure to change the File Type from "TEST" to "PROD."

SEQUENCE NUMBER DOES NOT EQUAL NUMBER OF DETAIL RECORDS

The Schedule Occurrence Number at the beginning of the Detail Record must be present and in ascending order beginning with 0000001. The last Schedule Occurrence Number equals the Number of K-1s for Fund (Field 0030) in the T01 record. In files that contain multiple partnerships or LLCs, reset the Occurrence Number to 0000001 for each partnership or LLC in the file.

PTNRS/MBRS ID INVALID, MUST BE NUMERIC, 'APPLD FOR,' 'FOREIGNUS'

Partner's/Member's ID Number (Field 0030) must have an entry (FEIN, SSN, Corporation number), the constant 'APPLD FOR', or the constant 'FOREIGNUS.'

NAME FIELDS ARE ALL BLANK, NAME REQUIRED

Partner's/Member's Name 1 (Field 0040) and Partnership's/LLC's Name 1 (Field 0130) must have an entry.

ADDRESS FIELDS ARE BLANK, ADDRESS IS REQUIRED

Partner's/Member's Address 1 (Field 0070) and Partnership's/LLC's Address 1 (Field 0140) must have an entry.

STATE FIELD IS BLANK, STATE FIELD IS REQUIRED

Partner's/Member's State (Field 0100) and Partnership's/LLC's State (Field 0155) must have a valid postal state abbreviation unless the address is a foreign address.

PARTNERS ENTITY TYPE NOT NUMERIC MUST BE '01' THRU '10'

Partner's/Member's Entity Type (Field 0210) must have an entry.

NON-NUMERIC VALUE IN NUMERIC FIELD

If this error occurs on a percentage field (Fields 0230 through 0248):

- The field is blank: it must be a decimal format and zero filled (000.0000); or
- The field has an entry: it must be a decimal format (999.9999).

If this error occurs on an amount field:

- The field is blank: it must be zero filled (000000000000); or
- The field has an entry: it must be in the following format (000000002333).

Example of K-1 Edit Report

```
                         Franchise Tax Board
                   Paperless Schedules K-1 System
                        TY2004 K-1 Edit Report
------------------------------------------------------------------------------------------------------------------
-----------

     Transmitter FEIN          : 123456789
 1   Transmitter  NAME         : SMITH TAX SERVICES
     Contact Person            : BOB SMITH
     Transmitter Phone         : 555  888-3333
 2   Input Dataset             : K1027A

 3   File Type                 : PROD
 4   File Passed/Failed        : Failed
 5   Filing  Period  Begin     : 01/01/04
 6   Filing  Period  End       : 12/31/04
 7   Header FEIN               : 333333333
     Header Name1              : GREEN AND BLUE COMPANY
 8   Header Name2              :
     Number of Sch K-1s        : 298

     ------------------------------------------ERROR DETAIL SECTION------------------------------------------
 9
10   Header FEIN      :   333333333
11   Occurrence No    :   0000296
12   Detail ID        :   777777777
13   Detail Name1     :   NAME OF THE PARTNER OR MEMBER
     Field #/Name     :   0100 D01 STATE
14   Error Message    :   State field is required with a valid postal abbreviation
15   Field Value      :   BLANK

     Header FEIN      :   333333333
     Occurrence No    :   0000761
     Detail ID        :   444444444
     Detail Name      :   NAME OF THE PARTNER OR MEMBER
     Field #/Name     :   0895 D01 TAX EXMPT INT INC FED
     Error Message    :   Percent field valid format is '999.9999'
     Field Value      :   .0002290
16
17   Total number of errors found 105 only first 100 printed
18   ********** RUN ABORTED MORE THAN 100 ERRORS FOUND**********
19
20   --------------------END OF JOB REPORT----------------------

21   Overall test results           :   FAILED
22   Total number of Records        :               300
23   Total number of Headers        :                 1
     Total number of Details        :               298
     Total number of Trailers       :                 1
     Total number of Errors         :   2
```

California K-1

For more information:

e-Programs Customer Service Unit
Phone: (916) 845-0353
Fax: (916) 845-0287
email: e-file@ftb.ca.gov

Paperless Schedules K-1 Program Coordinator, MS A-1
Franchise Tax Board
PO Box 1468
Sacramento CA 95812-1468

FTB's Website: www.ftb.ca.gov